

Roadmap for Success in Homebuying



“YOUR FRIENDS IN REAL ESTATE”



THE FREUND GROUP



Why Buyers Choose The Freund Group

Our People, Our team is wired to put our clients' best interest first. Our agents are known for their unmatched integrity and expertise. Our support staff members are dedicated to your success and have earned the finest reputation in the industry.

Our Systems, From the time you sign the agreement our process and procedures ensure an unmatched experience for our clients.

Let us show you why we are Your Friends In Real Estate.



Our Track Record,

Collectively our team has thousands of happy and satisfied clients and our goal is to make you next. And most importantly, our properties sell faster and for more money than the average of homes for sale in the Houston Association of Realtors' MLS in our area.

Connect with us



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MEET TAMMI FREUND



Tammi Freund's illustrious real estate career began in 1991 when she obtained her license and became a Realtor. Her dedication and expertise were evident from the start, earning her the prestigious "Rookie Of The Year" award in her first year. Over the years, Tammi has amassed a wealth of accolades, including various awards that showcase her exceptional skills and unwavering commitment to her clients.



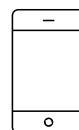
Her crowning achievement is a testament to her passion for real estate, extensive market knowledge, and continuous pursuit of excellence. With decades of experience, Tammi Freund remains a trusted advisor in the dynamic world of Texas real estate.

“

We had a great experience working with the Freund Group! John and Tammi Freund we're always available to answer any of our questions and made the whole buying process so easy...

-Jamie A.

”



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Buyer's Guide

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We let our clients do the talking.

“

Roxanne Gillum helped us every step of the way to find our dream home, her experience and knowledge in real estate helped guide us through the process of buying our first home. I'm looking forward to working with her again and I highly recommend anyone looking for a home to call The Freund Group...

MICHAEL A. | BUYER

We absolutely loved working with **John Freund**. He was very knowledgeable, always available, and quick to respond to any questions or requests that we had. He made the house buying process super smooth and kept us informed about each step along the way. We felt comfortable in his hands and I would Recommend him and his team to anyone I know.

JAMIE | BUYER

Traci is friendly, dedicated, flexible, very responsive, always available, and relentless in the search for just the right home for you. I would her a thousand times over again

EUGENE | BUYER

I had a great home buying experience. **Yessica Martinez** was so professional, kind and patient with me and a pleasure to work with. She showed me a home so fast when I saw one I liked. When I finally found the perfect home she gave me excellent advise on how to give the best offer so I would get the house. I got the perfect house for me and I appreciate all her help. She's the best!

KENDRA J. | BUYER

”

“

This was my first time using **Tammi Freund** and her group. My family has used her for years and now I see why. She makes you feel comfortable knowing she knows the ins and outs of the business. She took majority of the stress away from buying a home. She doesn't put pressure on you or make you feel uneasy. She made me feel good and secure about my decision and took care of everything behind the scenes...which is no small task. I'd recommend Tammi Freund to everyone. You can't go wrong with her many years of knowledge in this field, and she stays up to date. Her team is also on top of their game. I was amazed at how fast they get back to you through email or phone. I will forever use Tammi Freund and her team. Thank you!

JACLYN | BUYER

I thank God that I was assigned KATIE DVORAK as my agent! She assisted me thru the entire process and kept me informed every step of the way. ONE day Prior to Closing, the Lender, PennyMac, decided not to approve the loan. This meant I was going to lose over \$7,000 dollars that I had already given in earnest money. She immediately jumped in and was able to get Gateway Mortgage o my case. They approved and closed the loan in 5 days! I also want to thank Todd and Erica Brinkley of Gateway Mortgage for their quick action (also Military Veterans). I highly recommend **Katie Dvorak** who went above and beyond her duties to assist this old Veteran. THANK YOU KATIE!!

ABEL G. | BUYER

Dani worked with me for months. She showed me multiple properties and always was happy and upbeat. It shows that she really loves her job and helping people. Dani made this beautiful drawn-out process more bearable. In the end everything worked out okay and I am happy with the property we bought.

MICHAEL M. | BUYER

”

Meet The Team.

Team Leader



Tammi Freund
REALTOR®
SRES- Senior Real Estate Specialist
ASP (RE)- Accredited Staging
Professional
SFR- Shortsale Foreclosure
Specialist

Operations Manager



John Freund
REALTOR®
CLHMS- Certified Luxury
Marketing Specialist

Marketing Director



Ashlyn Jackson
Ashlyn creates a marketing strategy for the team's listings to ensure our clients receiving excellent exposure. She also executes the team's marketing strategy and maintains the team's social media presence.

Client Care Specialist



Brianna Dwyer
Brianna is dedicated to following up with clients and matching them with an agent who would be the best fit. Brianna also checks in on our clients to ensure they are receiving exceptional service.

Administrative Assistant



Rayanne Dwyer
Rayanne efficiently manages tasks and supports daily operations.

Meet The Team.

Agents



Yessica Martinez
REALTOR®



Roxanne Gillum
REALTOR®



Keith Gullo
REALTOR®



Jennifer Carpenter
REALTOR®



Sarah Canfield
REALTOR®

Meet The Team.

Agents



Katie Dvorak
REALTOR®



Dani Lenior
REALTOR®



Lupita Lesser
REALTOR®



Lauren Dehoyos
REALTOR®



Marian Jefferson
REALTOR®

Our Commitment to Our Clients

By implementing these strategies and leveraging our experience and expertise, we empower our buyers to navigate the challenges of current market with confidence and success.

- **We work closely with our buyers to understand their priorities, preferences, and non-negotiables.**
- **We prioritize keeping our clients informed about new listings as soon as they hit the market.**
- **We Research Off-Market Inventory, tapping into exclusive listings through an extensive network.**
- **We use Creative Search Strategies, utilizing innovative methods to uncover hidden gems.**
- **We evaluate the property to help identify potential financing issues upfront.**
- **We view properties with an unbiased perspective, assessing both their positive attributes and potential drawbacks from an investment standpoint.**

Ensuring the best outcome for our buyers, especially in the face of affordability challenges created by rising prices and current interest rates is a priority for me as a seasoned realtor. Here's how I would approach this:

- **We perform comprehensive analyses to determine fair market value for properties of interest.**
- **We craft compelling offers with strategic pricing and terms based on our clients needs and wants.**
- **We leverage our negotiation skills to advocate for the best possible deal on behalf of our buyers.**
- **We work closely with our lending partners to explore financing options and help identify the best mortgage products available to them.**
- **We explore creative solutions to help our buyers work within their budget without compromising on their housing.**
- **We prioritize transparency and integrity in representing our clients, providing honest and objective advice.**

Our Commitment to Our Clients

By offering proactive guidance, expert advice, and strategic negotiation support, We help our clients navigate the home inspection process with confidence and peace of mind. Our goal is to ensure that they are fully informed about the condition of the property and equipped to make sound decisions that align with their goals and priorities.

- **We provide pre-inspection guidance, identifying potential problems early on.**
- **We provide inspector referrals, connecting clients with reputable inspectors that have proven themselves with other clients.**
- **We leverage our negotiation skills to assist our clients to reach an agreement with the seller to address any significant issues discovered.**

To prevent closing delays and ensure a smooth transaction process, We employ a proactive approach supported by dedicated professionals and streamlined processes:

- **We have a Dedicated Transaction Coordinator overseeing all aspects of the transaction.**
- **Whenever possible, we leverage partnerships with trusted mortgage and title professionals to facilitate a smooth closing process.**
- **We maintain open and regular communication with the parties involved in the transaction, including the buyer, seller's agent, lender, and title company.**
- **If issues or challenges do arise during the transaction process, we take a proactive approach to problem-solving. We work diligently to find solutions that keep the transaction on track and minimize delays.**



Your Home Search Journey

Congratulations on embarking on the exciting journey of buying a new home. Searching for the right home is an exhilarating experience, but it can also be overwhelming if not planned out.

Define Your Needs and Wants:

Before you start browsing listings, we will take the time to define your needs and wants. Consider factors like location, the number of bedrooms and bathrooms, your budget, and any specific features or amenities you desire. This will help narrow down your search and make it more efficient.

Online vs. In-Person Search:

The modern home search often begins online, with countless listings available on websites and apps. While online research is valuable, nothing beats visiting homes in person. As a homebuyer, you'll encounter various sources of property listings, including FSBO, open houses, builders, MLS, foreclosures, and online portals like Zillow. Your real estate agent is your key ally in navigating these sources, providing expert guidance, access to exclusive listings, negotiation skills, and support to ensure you find the right home with confidence.

Be Patient:

Finding the right home can take time. Be patient and decide what you can and cannot compromise on. It may be difficult to find everything you want in one particular home. On the other hand, don't worry it is too fast if you find what you want the very first day you go out looking or the very first home you look at. It does happen.

Stay Open-Minded:

While it's important to have a clear vision of what you want, it's also essential to stay open-minded. Sometimes, a property may surprise you, offering features or potential that you hadn't initially considered.

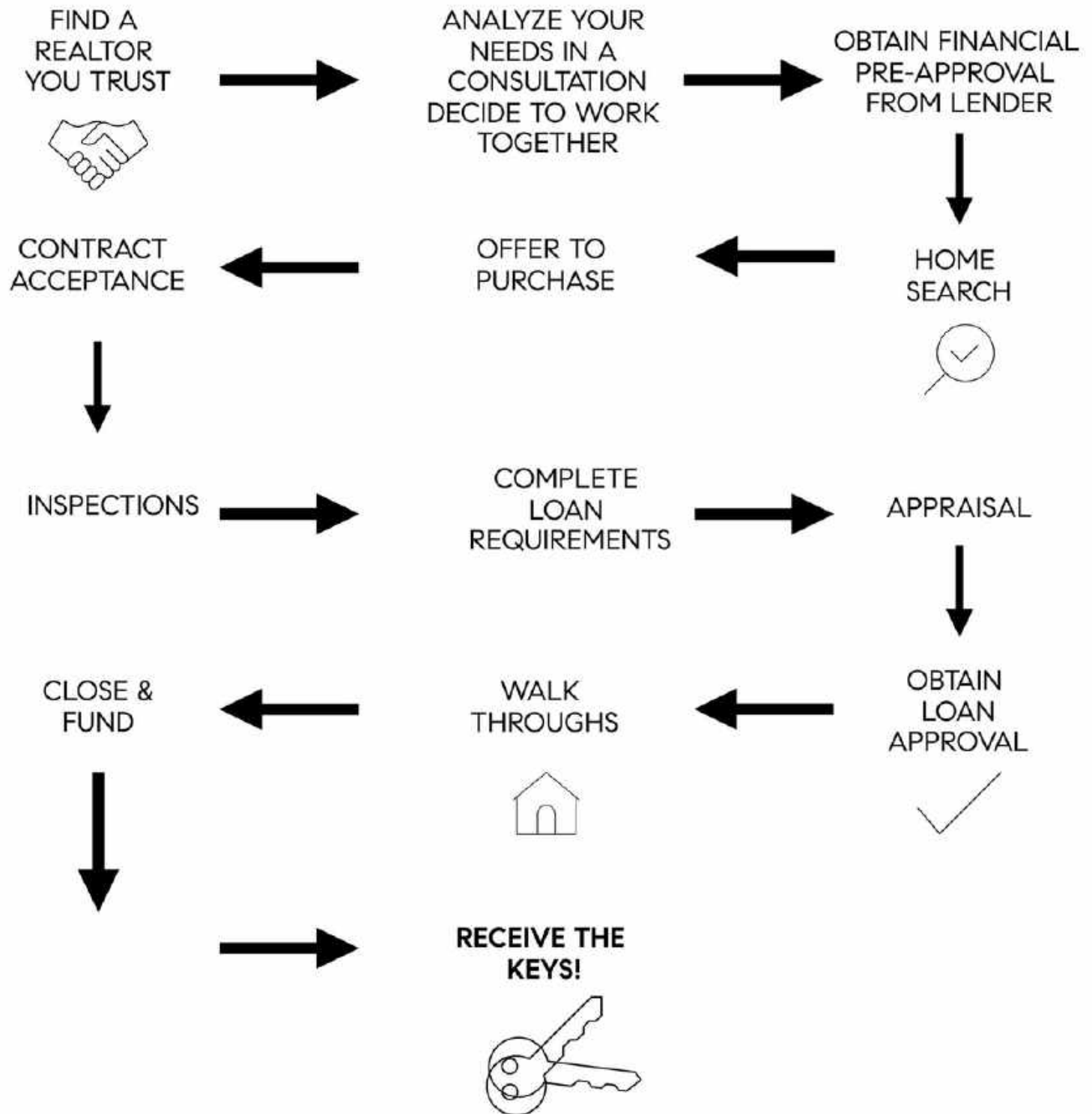
Research the Neighborhood:

Don't just focus on the property; pay attention to the neighborhood too. Research factors like schools, safety, amenities, commute times, and future development plans. A great home in a not-so-great neighborhood may not be the best choice.

Keep Your Emotions in Check:

It's easy to get emotionally attached to a home, but try to remain objective. If a deal falls through or negotiations don't go your way, remember that there will be other opportunities. Don't let emotions cloud your judgment. It is imperative that all partners are on the same page. Be sure to talk things through before making major decisions. You may want to tell everyone that you're buying a home as your understandably excited or stressed just know you may receive a lot of well meaning but misguided information always reach out to your Realtor with questions.

The Buying Process





BUYER QUESTIONNAIRE

Name(s):

Current Address:

Email:

Phone:

Email:

Phone:

Preferred Method for Contact: **PHONE** **TEXT** **EMAIL**

How Did You Hear About Us:

Are You a First Time Home Buyer:

Currently Own or Rent:

Home to Sell:

Lease Dates:

Are You Pre-Approved:

Price Range:

Lender Name:

Down Payment:

Do You Need a Lender Referral:

What is the desired time frame to be in your new home:

Availability to View Homes:

Would You Like to Receive Listings Via Email:

Notes:



CRITERIA

Town(s) You Work in:

Commute a Factor:

Preferred Towns/Neighborhoods/Schools:

Type of Home: CONDO SINGLE INVESTMENT

Style:

Age(Less than 30 Years, New Construction, Any):

of Bedrooms:

Preferred Square Footage: Move in Ready Fixer Upper Needs Work

Any Special Features Preferred, Like to have/Must Have(Master Bath, Like to Have/Flexible on, Pool, Garage):

Notes:

But 1st, Get Pre-Approved

Be Ready to Make an Offer

House shopping is an exciting time!

Get pre-approved for a loan first so you can be ready to make an offer when you find a home you love.

PRE-QUALIFIED VS. PRE-APPROVED

Pre-Approved

In order to be pre-qualified, a lender may or may not check your credit score and won't require documentation, only going off what you tell them. This will give you an idea of what you could qualify for, but when you're serious about buying, you'll need to get pre-approved.

VS.

Full Credit Approved

To be pre-approved, the lender will pull your credit and ask you for documentation to verify your finances. Before making an offer on a house, it is best to get pre-approved to show sellers your offer is serious and that a lender has already approved you for enough money to purchase the home.

Mortgage Guide

Which Type of Loan is Right for You?

CONVENTIONAL LOAN

The most common type of home loan, which is offered through private lenders

FHA LOAN

Loans designed for those with high debt-to-income ratios and low credit scores, and most commonly issued to first-time homebuyers. Offered by FHA-approved lenders only and backed by the Federal Housing Administration.

VA LOAN

Loans designated for veterans, spouses, and reservists, offered through private lenders and guaranteed by the U.S. Department of Veteran Affairs.

USDA LOAN

Loans for homebuyers in designated rural areas, backed by the U.S. Department of Agriculture.

DPA GRANTS

Down payment may be available if qualified.

TYPE OF LOAN	DOWN PAYMENT	TERMS	MORTGAGE INSURANCE	MINIMUM CREDIT SCORE
CONVENTIONAL	3-20%	15-30 YEARS	ON DOWN PAYMENTS UNDER 20%	620
FHA	3.5%-20%	15-30 YEARS	FOR 11 YEARS OR LIFE OF THE LOAN	500
VA	NONE	15-30 YEARS	NONE	640
USDA	NONE	15-30 YEARS	NONE	640

The Loan Process

Things to Expect and Avoid

10 QUESTIONS TO ASK YOUR LENDER:

1. How much can I borrow to buy a home?
2. How much money do I need to put down?
3. What's the interest rate?
4. What's the difference between a fixed-rate and an adjustable-rate mortgage?
5. How many points does the rate include?
6. When can I lock in the interest rate?
7. What are my estimated closing costs?
8. Are there additional costs/fees that I should know about?
9. Can you estimate when closing will be?
10. What could delay my closing?



EXPECT TO:

- Submit paystubs
- Submit bank statements (complete with all pages)
- Keep copies of all documents submitted to processing
- Continue to pay all your debt and loans on time
- Call your loan officer with questions or concerns

DON'TS:

- Making large cash deposits without documentation
- Making large purchases on your credit cards
- Co-signing a loan for anyone
- Changing bank accounts
- Applying for new credit cards
- Gaps in employment
- Don't change Jobs
- Don't make Major Purchases
- Don't cancel your credit cards
- Don't change Banks
- Don't schedule a vacation before the closing or because of potential delays, shortly after closings

DO'S:

- Do keep paying your bills
- Do keep your personal documents handy
- Do read your disclosures
- Do Avoid overdraft fees on bank account
- Stay in touch with your lender!

Loan Application Checklist

Documents Typically Required by Lenders

To determine loan eligibility, lenders typically require the following types of documents from each applicant

INCOME DOCUMENTS

- Federal tax returns: last 2 Years
- W-2s: last 2 years
- Pay stubs: last 2 months
- Any additional income documentation: pension, retirement, child support,
- Social Security/disability income award letters, etc

ASSET DOCUMENTS

- Bank statements: 2 most recent checking and savings account statements
- 401(k) or retirement account statement and summary
- Other assets: statements and summaries of IRAs, stocks, bonds, etc.

OTHER DOCUMENTS

- Copy of driver's license or ID and Social Security card
- Addresses for the past 2-5 years and landlord's contact info if applicable [
- Student loan statements: showing current and future payment amounts
- Documents relating to any of the following if applicable: divorce, bankruptcy, collections, judgements or pending lawsuits

Estimated Costs

The following is an estimate of the costs typically associated with the purchase of a home.

(actual charges can be more or less)



Prior to Closing

1. Earnest Money

Typically 1% of Offer Price - Credited at Closing

2. Option Money

Depends on Sales Price

3. Inspection

\$400-\$800

Differs according to the size of the property & specialized inspections

Paid at Closing

1% - 2% of Loan

Lender Processing & Underwriting Fees

\$500 - \$1,000

Title Company Fees

Based on the value of the property.

Homeowner's Insurance

Varies based on the property.

Tax Reserve Fund

A minimum of two months of estimated taxes placed into escrow if required by the lender, depending on the timing of closing.

HOA Transfer Fee

Land Survey

\$400-\$500 for typical subdivision

Down Payment

3.5% minimum for FHA

5% minimum for conventional

0% VA

4. Appraisal

\$500-\$600

Paid to the lender

Mistakes To Avoid:

When Applying For A Mortgage

- Quit or change your job
- Your name doesn't match your ID
- Buy any big-ticket items or co-sign for anything
- Charge credit cards up
- Take cash advances off credit cards for earnest money or anything else
- Make cash deposits
- Forget to obtain or request a gift letter or provide info on child support, alimony, wage garnishments or any other payroll reduction
- Delay paperwork because you are frustrated by the frequency and number of requests from the mortgage company
- Find a lender on the internet that offers a .1 lower interest rate and is 100% online

Home Inspection

We highly recommend that you have a professional home inspector conduct a thorough inspection.

THE INSPECTION WILL INCLUDE THE FOLLOWING:

- Appliances
- Plumbing
- Electrical
- A/C & Heating
- Ventilation
- Roof & Attic
- Foundation
- General Structure

The inspection is not designed to criticize every minor problem or defect in the home. It is intended to report on major damage or serious problems that require repair. Should serious problems be indicated, the inspector will recommend that a structural engineer or other professional inspect it as well.

Your home cannot "pass or fail" an inspection, and your inspector will not tell you whether he/she thinks the home is worth the money you are offering. The inspector's job is to make you aware of repairs that are recommended or necessary.

The seller may be willing to negotiate completion of repairs or a credit for completion of repairs. or you may decide that the home will take too much work and money. A professional inspection will help you make a clear-headed decision. In addition to the overall inspection, you may wish to have separate tests conducted for termites, pool, well/septic if present

In choosing a home inspector, make sure they are licensed by the Texas Real Estate Commission. Get recommendations or check out their reviews. We recommend being present at the inspection at least during the last 30 minutes. This is to your advantage. You will be able to clearly understand the inspection report, and know exactly which areas need attention. Plus, you can get answers to many questions. tips for maintenance. and a lot of general information that will help you once you move into your new home.

Most important, you will see the home through the eyes of an objective third party. The inspector will be able to advise you on what the major issues that should be addressed with the seller.

FAQS

1. WHAT PRICE RANGE SHOULD I BE SEARCHING IN?

We recommend searching at or below your maximum budget. In order to be competitive in multiple offer situations, you need to look comfortably below your maximum budget in order to have the ability to offer over the list price or any seller contributions if you need those.

2. HOW QUICKLY SHOULD I SEE A HOME I AM INTERESTED IN?

We recommend reaching out to us immediately to learn a specific home's showing instructions. Together we can decide on the soonest time for all parties.

3. CAN I SEND YOU HOMES I FIND ONLINE?

As one of our services to you we will be searching for homes daily and send those that match your criteria to you not only from online sources but other sources as well. We will be searching for properties daily and will send those to your email form a portal. You can respond to those or send us links from any homes you may come across also.

4. WILL YOU INFORM ME OF HOMES FROM ALL REAL ESTATE COMPANIES?

Yes, we work with all real estate companies. We will keep you informed of all homes. We want to help you find your dream home, which means we need to stay on top of every home that's available on the market.

5. CAN YOU HELP ME FIND NEW CONSTRUCTION HOMES?

Yes, we can work with builders and get you the information you need to make a decision. On your visits with the builder, we will accompany you. By using our services with a new construction home purchase, you will receive the services we offer, as well as those provided by the builder, at no additional cost. It is important that we accompany you on your initial visit to the developer's office in order for us to assist you.

FAQS

6. HOW DOES FOR SALE BY OWNER (FSBO) WORK?

Homeowners trying to sell their home without agent representation are usually doing so in the hopes of saving the listing agent commission, but most understand they will pay for buyer's agent commission. If you see a FSBO and want the advantages of our services, let us contact the owner for you and make an appointment. Most of the time the homeowner will work with an agent even though their home is not listed, since the agent is introducing a potential buyer to their property. This ensures you are fairly represented and receive all of the disclosures and documentation throughout the sale.

7. ZILLOW

Many buyers look at online sites to get pricing for homes. While we love and use sites like Zillow and Homes.com, their analytics cannot take every factor into consideration when pricing a home. They can't adjust for noisy, or messy neighbors, or the care of the home. Also, if the neighborhood's market took a downturn or hit an upswing three months ago, the six-month old sales won't be nearly as predictive of the value of the houses. It's important for you to be aware of this difference. Also- Zestimate means NOTHING. Fun fact: the CEO of Zillow sold his home for \$400,000 less than his home's Zestimate!

8. HOW LONG IS A TYPICAL BUYING PROCESS ONCE UNDER CONTRACT?

A closing timeframe is typically 7-45 days from the date an offer is accepted, depending upon if you are obtaining financing or paying cash. 30 days is most common in our market.

9. WHEN SHOULD I MAKE AN OFFER?

When you find the home that is "talking to you". Usually you can feel it when you walk through the home.

10. WHAT IS AN OPTION PERIOD?

The option period is a time usually 7 to 10 days that can be negotiated in the contract to allow you to perform due diligence on the property.

FAQS

11. IS THERE A COST FOR THE OPTION PERIOD?

Yes, depending on the price of the home we recommend \$20 to \$50 a day.

12. HOW MUCH SHOULD I OFFER?

If it is priced right and it's the right home for you, in today's market you should make at least a full price offer if you want to be sure not to lose it.

13. WHEN SHOULD I HAVE INSPECTIONS?

We recommend budgeting \$600-\$800 for your standard home inspections. Inspections should be scheduled as soon as possible after the contract is executed. It will take a day or so to receive the report and after we may need a couple of days to negotiate any repairs if necessary. This all needs to be done during the option period.

14. WHEN SHOULD I GET INSURANCE QUOTES?

Start getting quotes as soon as you can after the contract is executed. It is best to have these before inspections if possible.

15. IS THERE ANYTHING I SHOUDN'T DO DURING THE HOUSE HUNTING PROCESS?

You should see our attached "Mistakes To Avoid When Shopping For A Home"

16. WHAT IF I HAVE TO SELL MY CURRENT HOME TO BUY?

We can offer to take a look at the current market value of your home and place it on the market for you. We can facilitate a contingency offer if the seller on the new home will entertain that or we also have some programs available that you may be able to use that can assist in helping you buy before you sell.

Making The Offer

FACTORS THAT CAN MAKE AN OFFER MORE ENTICING

In a competitive housing market, it's important to know where you'd like to be and what you're willing to do to get there. We will work with you to understand what may be needed to get your offer accepted in the current market, but it's equally important for you to know what you're willing and not willing to do. Below are some elements that could get your offer accepted.

PUT IN A COMPETITIVE OFFER

- > We will decide on a reasonable offer price based on:
- > Current market conditions
- > Comparable properties recently sold in the area
- > The property value of the house
- > The current condition of the house

PAY IN CASH VS. LOAN

Paying in cash versus taking out a loan offers a faster closing timeline and less chances of issues arising, making it more appealing to sellers.

PUT DOWN A LARGER DEPOSIT

An offer that includes a larger earnest money and/or option fee deposit presents a more serious and competitive offer.

SHORTEN INSPECTION PERIOD

Waive appraisal contingency/ Have a appraisal differential plan.

OFFER A SHORTER CLOSING TIME

An offer with a shorter timeframe for closing is generally more attractive to sellers over one with an extended time period with a house sale contingency. A typical closing timeframe is 30-45 days.

OFFER SELLER POSSESSION AFTER CLOSE

Also known as "seller lease back"

FAQS On Making The Offer

If I terminate my contract how do I get my earnest money back?

The title company will issue a refund check once all parties to the transactions have agreed and signed an Earnest Money Release. The option money is not refunded.

How long does the home inspection take and should I attend?

The inspector can take anywhere from 2 to 5 hours depending on the home. It's a good idea to attend your home inspection.

What if the inspector finds things I'm concerned about?

We can ask the seller to repair these items. Keep in mind that most sellers in this market do not perform minor repairs

What is Title Insurance?

It protects you from losses that could occur from items the title company did not uncover when the title was researched

Is the closing date on my contract guaranteed?

No, many times the contract dates are moved back due to loan processing delays.

Where does the closing take place?

Closing takes place at the title company that is agreed to in the contract. Some title companies offer remote closings.

How do I pay the amount needed for closing?

Acceptable forms of payment are a wire or a cashier's check made payable to the title company. They cannot accept cash or personal checks.

Offer Accepted

WHAT'S NEXT

Once the seller has accepted your offer, both parties sign a sales agreement and you are officially under contract.

PUT YOUR DEPOSIT INTO AN ESCROW ACCOUNT

Your earnest money deposit is due by the 3rd day by 5pm after the contract is executed then will be put into an escrow account that is managed by a neutral third party (typically a title company) who holds the money for the duration of the escrow period. They will manage all the funds and documents required for closing, and your deposit will go towards your down payment and/or closing cost which is paid at closing.

OPTION FEE DEPOSIT TERMS

Like Earnest Money, Option Fee is due by 5:00 on the third day after the contract is executed, to the title company.

GET INSURANCE QUOTES

You may need Hazard, Windstorm and Flood. (Best to do this prior to spending money for inspections.

SCHEDULE A HOME INSPECTION

Home inspections are optional but highly recommended to make sure that the home is in the condition for which it appears. Inspections are typically completed within the first few days of your option period after signing the sales agreement.

RENEGOTIATE IF NECESSARY

The home inspection will tell you if there are any dangerous or costly defects in the home that need to be addressed. You can then choose to either back out of the deal completely, ask for the seller to make repairs, or negotiate a lower price and handle the repairs yourself.

COMPLETE YOUR MORTGAGE APPLICATION

Once you've come to an agreement on the final offer, it's time to finalize your loan application and lock in your interest rate if you haven't done so already. You may need to provide additional documentation to your lender upon request.

LENDER WILL ORDER AN APPRAISAL

An appraisal will be required by your lender to confirm that the home is indeed worth the loan amount. The appraisal takes into account factors such as similar property values, the home's age, location, size and condition to determine the current value of the property.

Final Steps Before Closing

Underwriting

After your lender gets all your documents and the appraisal the loan package will be submitted to the underwriter who makes sure the loan conforms to the guidelines of the type of financing you are doing. Typically, underwriters take 48 to 72 hours. A full approval the first time an underwriter sees the file is what we hope for but many times the underwriter asks for explanations or additional documentation. When any conditions are satisfactorily met and the underwriter approves the loan, we receive a "Clear To Close"

You're Almost there!

Closing Disclosure

At least 3 days before closing, lenders are required to provide you with a Closing Disclosure with your final loan terms and closing costs for you to review. Closing costs for the buyer typically range from 2-5% of the purchase price, which can include lender fees, lender's title insurance, and HOA dues if applicable.

We will go over the numbers

The title company will create your Settlement Statement and review the document with both realtors and the lender (if not cash). Once it matches the lender instructions and the purchase contract, I will call you to discuss.

Final Walk through

Within 36 hours of closing, we will do a final walk through of the home before signing the final paperwork. This last step is to verify that no damage has been done to the property since the inspection, that any agreed upon repairs have been completed, and that nothing from the purchase agreement has been removed from the home.

Schedule Utilities- Once Clear to Close

Utilities:

Gas:

City Water:

Often takes at least a week for an appointment so order early!

Next Step: Closing!

Closing Day

Congratulations, You Made it to Closing!

Closing is the final step of the buying process.

On the day of closing you'll be going over and signing the final paperwork, and submitting a cashier's check (or previously arranged wire transfer) to pay the remaining down payment and closing costs.

When will I get the keys?

You will receive keys when the loan funds or as agreed by a temporary leaseback. After buyers and sellers sign all closing documents and the sellers are moved out it is typically within 48 to 72 hours. Unless otherwise agreed to by the parties.

Items to bring to closing

- Government Issued Photo ID or valid passport
- Certified Funds or Cashier's Check or wire

Upon funding of your loan property ownership is officially transferred from the seller to the buyer.

Enjoy your new home!

Customer

- > If you are a CUSTOMER (no fiduciary relationship), an agent will:
- > Maintain loyalty to the seller's needs
- > Tell the seller all that they know about you
- > Keep information about the seller confidential
- > Focus on the seller-client's property
- > Provide just the material facts
- > Only provide price information that supports the seller's listing price
- > Protect the seller
- > Negotiate on behalf of the seller
- > Attempt to solve problems to the seller's advantage and satisfaction

Client

- > If you are a CLIENT (fiduciary relationship), your agent will:
- > Pay full attention to your needs
- > Tell you all that they know about the seller
- > Keep information about you confidential
- > Focus on choices that satisfy your needs
- > Provide material facts as well as professional advice
- > Provide price counseling based on comparable properties and their professional insights
- > Protect and guide you
- > Negotiate on your behalf
- > Attempt to solve problems to your advantage and satisfaction

HIGHLY LIKELY TO RECOMMEND

We had a great experience working with the Freund Group! John and Tammi Freund were always available to answer any of our questions and made the whole buying process so easy. We knew we were in good hands. Will be using them for all of our house buying/selling needs!

- Jamie A.

The Strategy

WHY HAVE A BUYER REPRESENTATION

Buyers understand why sellers would hire an agent, so buyers need to understand that the same logic holds true for them. Consider these facts:

“Every house you see for sale has a listing agent. Each seller has hired an agent to represent them and their interests. That agent negotiates on the seller’s behalf, advises them, and is required to keep their information confidential, among other duties. A buyer’s agent does the same things for a buyer. Over 90% of buyers in our marketplace have their own agent who they have hired to represent them.”

“The buyer and the seller have opposing interests in a real estate transaction, so it’s important to have your own agent to make sure you’re protected. You wouldn’t use your soon-to-be-ex spouse’s divorce attorney to negotiate for you, would you? You would get your own attorney.”

“When you have conversations with a listing agent, everything you say or do can and will be used against you during negotiations. That agent represents the seller, not you.”



How We Represent You as a Buyer

1. Meet and Discuss Goals and Non - Negotiables
2. Explain Agency Relationships
3. Discuss Different Types of Financing Options
4. Help Find a Mortgage Lender
5. Obtain Pre-Approval Letter from Lender
6. Provide Resources to Research crime in neighborhoods, school ratings, etc.
7. Provide Overview of Current Market Conditions
8. Discuss Earnest Money Deposits
9. Explain Home Inspection Process
10. Educate About Local Neighborhoods
11. Discuss Foreclosures & Short Sales
12. Gather Needs & Wants of Next Home
13. Explain School Districts Effect on Home Values
14. Explain Recording Devices During Showings
15. Learn All Goals & Make A Plan
16. Create Internal File for Records
17. Send Homes Within Their Criteria
18. Start Showing Homes as Requested
19. Schedule & Organize All Showings
20. Gather Showing Instructions for Each Listing
21. Send Showing Schedule
22. Look for Possible Repair Issues While Showing
23. Gather Feedback After Each Showing
24. Update When New Homes Hit the Market
25. Share Knowledge & Insight About Homes
26. Guide Through Emotional Journey
27. Listen & Learn at Each Showing
28. Keep Records of All Showings
29. Update Listing Agents with Feedback
30. Discuss Homeowner's Associations
31. Discuss Transferable Warranties
32. Explain Property Appraisal Process
33. Discuss Multiple Offer Situations:
34. Create Practice Offer to Help Prepare
35. Provide Updated Housing Market Data
36. Update on Any Price Drops
37. Discuss MLS Data at Showings
38. Find the Right Home
39. Determine Property Inclusions & Exclusions
40. Prepare Sales Contract When Ready

How We Represent You as a Buyer

41. Educate on Sales Contract Options
42. Determine Need for Lead-Based Paint Disclosure
43. Explain Home Warranty Options
51. Update Pre-Approval Letter with Each New Offer
52. Discuss Loan Objection Deadlines
53. Choose a Closing Date
54. Verify Listing Data Is Correct
55. Review Comps to Determine Value
56. Prepare & Submit Offer to Listing Agent
57. Negotiate Offer with Listing Agent
58. Execute A Sales Contract & Disclosures
59. Once Under Contract, Send to Escrow Company
60. Coordinate Earnest Money Wire Transfer
61. Deliver Copies to Mortgage Lender
62. Obtain Copy of Sellers Disclosures
63. Deliver Copies of Contract/Addendum
64. Obtain A Copy of HOA Bylaws
65. Keep Track of Copies for Office File
66. Coordinate Inspections
67. Meet Home Inspector at The Property
68. Review Home Inspection
69. Negotiate Inspection Objections
70. Get All Agreed Upon Repair Items in Writing
71. Verify any Existing Lease Agreements
72. Check in With Lender To Verify Loan Status
73. Check on the Appraisal Date
74. Negotiate Any Unsatisfactory Appraisals
75. Coordinate Closing Times & Location
76. Make Sure All Documents Are Fully Signed
77. Verify Escrow Company Has Everything Needed
78. Reminder to Schedule Utilities Transfer
79. Make Sure All Parties Are Notified of Closing Time
80. Solve Any Title Problems Before Closing
81. Receive and Review Closing Documents
82. Review Closing Figures
83. Confirm Repairs Have Been Made by Sellers
84. Perform Final Walk-Through
85. Resolve Any Last-Minute Issues
86. Get CDA Signed by Brokerage
87. Pros and Cons coordinate closing
88. Provide Home Warranty Paperwork
89. Facilitate Transfer of Keys and Accessories
90. Close Out File



Information About Brokerage Services

Texas law requires all real estate licensees to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

TYPES OF REAL ESTATE LICENSE HOLDERS:

- A **BROKER** is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
- A **SALES AGENT** must be sponsored by a broker and works with clients on behalf of the broker.

A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counter-offer from the client; and
- Treat all parties to a real estate transaction honestly and fairly.

A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

AS AGENT FOR OWNER (SELLER/LANDLORD): The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer's agent.

AS AGENT FOR BUYER/TENANT: The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent.

AS AGENT FOR BOTH - INTERMEDIARY: To act as an intermediary between the parties the broker must first obtain the written agreement of each party to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:

- Must treat all parties to the transaction impartially and fairly;
- May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction.
- Must not, unless specifically authorized in writing to do so by the party, disclose:
 - that the owner will accept a price less than the written asking price;
 - that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - any confidential information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

AS SUBAGENT: A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:

- The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

LICENSE HOLDER CONTACT INFORMATION: This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

FIV REALTY CO Texas, LLC	9014582	texasbroker@fivrealty.com	(281)380-8708
Licensed Broker /Broker Firm Name or Primary Assumed Business Name	License No.	Email	Phone
Karen Little	0161076	texasbroker@fivrealty.com	(281)380-8708
Designated Broker of Firm	License No.	Email	Phone
Tammi Freund	416757	tammi@freundgroup.com	(281)686-4109
Licensed Supervisor of Sales Agent/ Associate	License No.	Email	Phone
Tammi Freund By	416757	tammi@freundgroup.com	(281)686-4109
Sales Agent/Associate's Name	License No.	Email	Phone

Buyer/Tenant/Seller/Landlord Initials

Date

Regulated by the Texas Real Estate Commission

Information available at www.trec.texas.gov
IABS 1-0 Date



PROMULGATED BY THE TEXAS REAL ESTATE COMMISSION (TREC)
ONE TO FOUR FAMILY RESIDENTIAL CONTRACT (RESALE)

11-07-2022



NOTICE: Not For Use For Condominium Transactions

1. **PARTIES:** The parties to this contract are _____ (Seller) and _____ (Buyer). Seller agrees to sell and convey to Buyer and Buyer agrees to buy from Seller the Property defined below.
2. **PROPERTY:** The land, improvements and accessories are collectively referred to as the Property (Property).
 - A. **LAND:** Lot _____ Block _____, Addition, City of _____, County of _____, Texas, known as _____ (address/zip code), or as described on attached exhibit.
 - B. **IMPROVEMENTS:** The house, garage and all other fixtures and improvements attached to the above-described real property, including without limitation, the following **permanently installed and built-in items**, if any: all equipment and appliances, valances, screens, shutters, awnings, wall-to-wall carpeting, mirrors, ceiling fans, attic fans, mail boxes, television antennas, mounts and brackets for televisions and speakers, heating and air-conditioning units, security and fire detection equipment, wiring, plumbing and lighting fixtures, chandeliers, water softener system, kitchen equipment, garage door openers, cleaning equipment, shrubbery, landscaping, outdoor cooking equipment, and all other property attached to the above described real property.
 - C. **ACCESSORIES:** The following described related accessories, if any: window air conditioning units, stove, fireplace screens, curtains and rods, blinds, window shades, draperies and rods, door keys, mailbox keys, above ground pool, swimming pool equipment and maintenance accessories, artificial fireplace logs, security systems that are not fixtures, and controls for: (i) garage doors, (ii) entry gates, and (iii) other improvements and accessories. "Controls" includes Seller's transferable rights to the (i) software and applications used to access and control improvements or accessories, and (ii) hardware used solely to control improvements or accessories.
 - D. **EXCLUSIONS:** The following improvements and accessories will be retained by Seller and must be removed prior to delivery of possession: _____
 - E. **RESERVATIONS:** Any reservation for oil, gas, or other minerals, water, timber, or other interests is made in accordance with an attached addendum.
3. **SALES PRICE:**
 - A. Cash portion of Sales Price payable by Buyer at closing \$ _____
 The term "Cash portion of the Sales Price" does not include proceeds from borrowing of any kind or selling other real property except as disclosed in this contract.
 - B. Sum of all financing described in the attached: Third Party Financing Addendum, Loan Assumption Addendum, Seller Financing Addendum \$ _____
 - C. Sales Price (Sum of A and B) \$ _____
4. **LEASES:** Except as disclosed in this contract, Seller is not aware of any leases affecting the Property. After the Effective Date, Seller may not, without Buyer's written consent, create a new lease, amend any existing lease, or convey any interest in the Property. (Check all applicable boxes)
 - A. **RESIDENTIAL LEASES:** The Property is subject to one or more residential leases and the Addendum Regarding Residential Leases is attached to this contract.
 - B. **FIXTURE LEASES:** Fixtures on the Property are subject to one or more fixture leases (for example, solar panels, propane tanks, water softener, security system) and the Addendum Regarding Fixture Leases is attached to this contract.
 - C. **NATURAL RESOURCE LEASES:** "Natural Resource Lease" means an existing oil and gas, mineral, water, wind, or other natural resource lease affecting the Property to which Seller is a party.
 - (1) Seller has delivered to Buyer a copy of all the Natural Resource Leases.
 - (2) Seller has not delivered to Buyer a copy of all the Natural Resource Leases. Seller shall provide to Buyer a copy of all the Natural Resource Leases within 3 days after the Effective Date. Buyer may terminate the contract within _____ days after the date the Buyer receives all the Natural Resource Leases and the earnest money shall be refunded to Buyer.

(Address of Property)

5. EARNEST MONEY AND TERMINATION OPTION:

- A. DELIVERY OF EARNEST MONEY AND OPTION FEE:** Within 3 days after the Effective Date, Buyer must deliver to _____ (Escrow Agent) at _____ (address): \$ _____ as earnest money and \$ _____ as the Option Fee. The earnest money and Option Fee shall be made payable to Escrow Agent and may be paid separately or combined in a single payment.
- (1) Buyer shall deliver additional earnest money of \$ _____ to Escrow Agent within _____ days after the Effective Date of this contract.
- (2) If the last day to deliver the earnest money, Option Fee, or the additional earnest money falls on a Saturday, Sunday, or legal holiday, the time to deliver the earnest money, Option Fee, or the additional earnest money, as applicable, is extended until the end of the next day that is not a Saturday, Sunday, or legal holiday.
- (3) The amount(s) Escrow Agent receives under this paragraph shall be applied first to the Option Fee, then to the earnest money, and then to the additional earnest money.
- (4) Buyer authorizes Escrow Agent to release and deliver the Option Fee to Seller at any time without further notice to or consent from Buyer, and releases Escrow Agent from liability for delivery of the Option Fee to Seller. The Option Fee will be credited to the Sales Price at closing.
- B. TERMINATION OPTION:** For nominal consideration, the receipt of which Seller acknowledges, and Buyer's agreement to pay the Option Fee within the time required, Seller grants Buyer the unrestricted right to terminate this contract by giving notice of termination to Seller within _____ days after the Effective Date of this contract (Option Period). Notices under this paragraph must be given by 5:00 p.m. (local time where the Property is located) by the date specified. If Buyer gives notice of termination within the time prescribed: (i) the Option Fee will not be refunded and Escrow Agent shall release any Option Fee remaining with Escrow Agent to Seller, and (ii) any earnest money will be refunded to Buyer.
- C. FAILURE TO TIMELY DELIVER EARNEST MONEY:** If Buyer fails to deliver the earnest money within the time required, Seller may terminate this contract or exercise Seller's remedies under Paragraph 15, or both, by providing notice to Buyer before Buyer delivers the earnest money.
- D. FAILURE TO TIMELY DELIVER OPTION FEE:** If no dollar amount is stated as the Option Fee or if Buyer fails to deliver the Option Fee within the time required, Buyer shall not have the unrestricted right to terminate this contract under this paragraph 5.
- E. TIME:** Time is of the essence for this paragraph and strict compliance with the time for performance is required.

6. TITLE POLICY AND SURVEY:

- A. TITLE POLICY:** Seller shall furnish to Buyer at Seller's Buyer's expense an owner policy of title insurance (Title Policy) issued by _____ (Title Company) in the amount of the Sales Price, dated at or after closing, insuring Buyer against loss under the provisions of the Title Policy, subject to the promulgated exclusions (including existing building and zoning ordinances) and the following exceptions:
- (1) Restrictive covenants common to the platted subdivision in which the Property is located.
- (2) The standard printed exception for standby fees, taxes and assessments.
- (3) Liens created as part of the financing described in Paragraph 3.
- (4) Utility easements created by the dedication deed or plat of the subdivision in which the Property is located.
- (5) Reservations or exceptions otherwise permitted by this contract or as may be approved by Buyer in writing.
- (6) The standard printed exception as to marital rights.
- (7) The standard printed exception as to waters, tidelands, beaches, streams, and related matters.
- (8) The standard printed exception as to discrepancies, conflicts, shortages in area or boundary lines, encroachments or protrusions, or overlapping improvements:
- (i) will not be amended or deleted from the title policy; or
- (ii) will be amended to read, "shortages in area" at the expense of Buyer Seller.
- (9) The exception or exclusion regarding minerals approved by the Texas Department of Insurance.
- B. COMMITMENT:** Within 20 days after the Title Company receives a copy of this contract, Seller shall furnish to Buyer a commitment for title insurance (Commitment) and, at Buyer's expense, legible copies of restrictive covenants and documents evidencing exceptions in the Commitment (Exception Documents) other than the standard printed exceptions. Seller authorizes the Title Company to deliver the Commitment and Exception Documents to Buyer at Buyer's address shown in Paragraph 21. If the Commitment and Exception Documents are not delivered to Buyer within the specified time, the time for delivery will be automatically extended up to 15 days or 3 days before the Closing Date, whichever is earlier. If the Commitment and Exception Documents are not delivered within the time required, Buyer may terminate this contract and the earnest money will be refunded to Buyer.

(Address of Property)

C. SURVEY: The survey must be made by a registered professional land surveyor acceptable to the Title Company and Buyer's lender(s). (Check one box only)

- (1) Within _____ days after the Effective Date of this contract, Seller shall furnish to Buyer and Title Company Seller's existing survey of the Property and a Residential Real Property Affidavit promulgated by the Texas Department of Insurance (T-47 Affidavit). If Seller fails to furnish the existing survey or affidavit within the time prescribed, Buyer shall obtain a new survey at Seller's expense no later than 3 days prior to Closing Date. If the existing survey or affidavit is not acceptable to Title Company or Buyer's lender(s), Buyer shall obtain a new survey at Seller's Buyer's expense no later than 3 days prior to Closing Date.
- (2) Within _____ days after the Effective Date of this contract, Buyer shall obtain a new survey at Buyer's expense. Buyer is deemed to receive the survey on the date of actual receipt or the date specified in this paragraph, whichever is earlier.
- (3) Within _____ days after the Effective Date of this contract, Seller, at Seller's expense shall furnish a new survey to Buyer.

D. OBJECTIONS: Buyer may object in writing to defects, exceptions, or encumbrances to title disclosed on the survey other than items 6A(1) through (7) above; disclosed in the Commitment other than items 6A(1) through (9) above; or which prohibit the following use or activity:

Buyer must object the earlier of (i) the Closing Date or (ii) _____ 3 _____ days after Buyer receives the Commitment, Exception Documents, and the survey. Buyer's failure to object within the time allowed will constitute a waiver of Buyer's right to object, except that the requirements in Schedule C of the Commitment are not waived by Buyer. Provided Seller is not obligated to incur any expense, Seller shall cure any timely objections of Buyer or any third party lender within 15 days after Seller receives the objections (Cure Period) and the Closing Date will be extended as necessary. If objections are not cured within the Cure Period, Buyer may, by delivering notice to Seller within 5 days after the end of the Cure Period: (i) terminate this contract and the earnest money will be refunded to Buyer; or (ii) waive the objections. If Buyer does not terminate within the time required, Buyer shall be deemed to have waived the objections. If the Commitment or survey is revised or any new Exception Document(s) is delivered, Buyer may object to any new matter revealed in the revised Commitment or survey or new Exception Document(s) within the same time stated in this paragraph to make objections beginning when the revised Commitment, survey, or Exception Document(s) is delivered to Buyer.

E. TITLE NOTICES:

(1) ABSTRACT OR TITLE POLICY: Broker advises Buyer to have an abstract of title covering the Property examined by an attorney of Buyer's selection, or Buyer should be furnished with or obtain a Title Policy. If a Title Policy is furnished, the Commitment should be promptly reviewed by an attorney of Buyer's choice due to the time limitations on Buyer's right to object.

(2) MEMBERSHIP IN PROPERTY OWNERS ASSOCIATION(S): The Property is is not subject to mandatory membership in a property owners association(s). If the Property is subject to mandatory membership in a property owners association(s), Seller notifies Buyer under §5.012, Texas Property Code, that, as a purchaser of property in the residential community identified in Paragraph 2A in which the Property is located, you are obligated to be a member of the property owners association(s). Restrictive covenants governing the use and occupancy of the Property and all dedicatory instruments governing the establishment, maintenance, or operation of this residential community have been or will be recorded in the Real Property Records of the county in which the Property is located. Copies of the restrictive covenants and dedicatory instruments may be obtained from the county clerk. **You are obligated to pay assessments to the property owners association(s). The amount of the assessments is subject to change. Your failure to pay the assessments could result in enforcement of the association's lien on and the foreclosure of the Property.**

Section 207.003, Property Code, entitles an owner to receive copies of any document that governs the establishment, maintenance, or operation of a subdivision, including, but not limited to, restrictions, bylaws, rules and regulations, and a resale certificate from a property owners' association. A resale certificate contains information including, but not limited to, statements specifying the amount and frequency of regular assessments and the style and cause number of lawsuits to which the property owners' association is a party, other than lawsuits relating to unpaid ad valorem taxes of an individual member of the association. These documents must be made available to you by the property owners' association or the association's agent on your request. **If Buyer is concerned about these matters, the TREC promulgated Addendum for Property Subject to Mandatory Membership in a Property Owners Association(s) should be used.**

(3) STATUTORY TAX DISTRICTS: If the Property is situated in a utility or other statutorily created district providing water, sewer, drainage, or flood control facilities and services, Chapter 49, Texas Water Code, requires Seller to deliver and Buyer to sign the statutory notice relating to the tax rate, bonded indebtedness, or standby fee of the district prior to final execution of this contract.

(Address of Property)

- (4) **TIDE WATERS:** If the Property abuts the tidally influenced waters of the state, §33.135, Texas Natural Resources Code, requires a notice regarding coastal area property to be included in the contract. An addendum containing the notice promulgated by TREC or required by the parties must be used.
- (5) **ANNEXATION:** If the Property is located outside the limits of a municipality, Seller notifies Buyer under §5.011, Texas Property Code, that the Property may now or later be included in the extraterritorial jurisdiction of a municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and extraterritorial jurisdiction. To determine if the Property is located within a municipality's extraterritorial jurisdiction or is likely to be located within a municipality's extraterritorial jurisdiction, contact all municipalities located in the general proximity of the Property for further information.
- (6) **PROPERTY LOCATED IN A CERTIFICATED SERVICE AREA OF A UTILITY SERVICE PROVIDER:** Notice required by §13.257, Water Code: The real property, described in Paragraph 2, that you are about to purchase may be located in a certificated water or sewer service area, which is authorized by law to provide water or sewer service to the properties in the certificated area. If your property is located in a certificated area there may be special costs or charges that you will be required to pay before you can receive water or sewer service. There may be a period required to construct lines or other facilities necessary to provide water or sewer service to your property. You are advised to determine if the property is in a certificated area and contact the utility service provider to determine the cost that you will be required to pay and the period, if any, that is required to provide water or sewer service to your property. The undersigned Buyer hereby acknowledges receipt of the foregoing notice at or before the execution of a binding contract for the purchase of the real property described in Paragraph 2 or at closing of purchase of the real property.
- (7) **PUBLIC IMPROVEMENT DISTRICTS:** If the Property is in a public improvement district, Seller must give Buyer written notice as required by §5.014, Property Code. An addendum containing the required notice shall be attached to this contract.
- (8) **TRANSFER FEES:** If the Property is subject to a private transfer fee obligation, §5.205, Property Code, requires Seller to notify Buyer as follows: The private transfer fee obligation may be governed by Chapter 5, Subchapter G of the Texas Property Code.
- (9) **PROPANE GAS SYSTEM SERVICE AREA:** If the Property is located in a propane gas system service area owned by a distribution system retailer, Seller must give Buyer written notice as required by §141.010, Texas Utilities Code. An addendum containing the notice approved by TREC or required by the parties should be used.
- (10) **NOTICE OF WATER LEVEL FLUCTUATIONS:** If the Property adjoins an impoundment of water, including a reservoir or lake, constructed and maintained under Chapter 11, Water Code, that has a storage capacity of at least 5,000 acre-feet at the impoundment's normal operating level, Seller hereby notifies Buyer: "The water level of the impoundment of water adjoining the Property fluctuates for various reasons, including as a result of: (1) an entity lawfully exercising its right to use the water stored in the impoundment; or (2) drought or flood conditions."
- (11) **REQUIRED NOTICES:** The following notices have been given or are attached to this contract (for example, MUD, WCID, PID notices): _____

7. PROPERTY CONDITION:

- A. ACCESS, INSPECTIONS AND UTILITIES:** Seller shall permit Buyer and Buyer's agents access to the Property at reasonable times. Buyer may have the Property inspected by inspectors selected by Buyer and licensed by TREC or otherwise permitted by law to make inspections. Any hydrostatic testing must be separately authorized by Seller in writing. Seller at Seller's expense shall immediately cause existing utilities to be turned on and shall keep the utilities on during the time this contract is in effect.
- B. SELLER'S DISCLOSURE NOTICE PURSUANT TO §5.008, TEXAS PROPERTY CODE (Notice):**
(Check one box only)
- (1) Buyer has received the Notice.
- (2) Buyer has not received the Notice. Within _____ days after the Effective Date of this contract, Seller shall deliver the Notice to Buyer. If Buyer does not receive the Notice, Buyer may terminate this contract at any time prior to the closing and the earnest money will be refunded to Buyer. If Seller delivers the Notice, Buyer may terminate this contract for any reason within 7 days after Buyer receives the Notice or prior to the closing, whichever first occurs, and the earnest money will be refunded to Buyer.
- (3) The Seller is not required to furnish the notice under the Texas Property Code.
- C. SELLER'S DISCLOSURE OF LEAD-BASED PAINT AND LEAD-BASED PAINT HAZARDS** is required by Federal law for a residential dwelling constructed prior to 1978.
- D. ACCEPTANCE OF PROPERTY CONDITION:** "As is" means the present condition of the Property with any and all defects and without warranty except for the warranties of title and the warranties in this contract. Buyer's agreement to accept the Property As Is under Paragraph 7D(1) or (2) does not preclude Buyer from inspecting the Property under Paragraph 7A, from negotiating repairs or treatments in a subsequent amendment, or from terminating this contract during the Option Period, if any.

(Address of Property)

(Check one box only)

- (1) Buyer accepts the Property As Is.
- (2) Buyer accepts the Property As Is provided Seller, at Seller's expense, shall complete the following specific repairs and treatments: _____

(Do not insert general phrases, such as "subject to inspections" that do not identify specific repairs and treatments.)

- E. **LENDER REQUIRED REPAIRS AND TREATMENTS:** Unless otherwise agreed in writing, neither party is obligated to pay for lender required repairs, which includes treatment for wood destroying insects. If the parties do not agree to pay for the lender required repairs or treatments, this contract will terminate and the earnest money will be refunded to Buyer. If the cost of lender required repairs and treatments exceeds 5% of the Sales Price, Buyer may terminate this contract and the earnest money will be refunded to Buyer.
- F. **COMPLETION OF REPAIRS AND TREATMENTS:** Unless otherwise agreed in writing, Seller shall complete all agreed repairs and treatments prior to the Closing Date and obtain any required permits. The repairs and treatments must be performed by persons who are licensed to provide such repairs or treatments or, if no license is required by law, are commercially engaged in the trade of providing such repairs or treatments. Seller shall: (i) provide Buyer with copies of documentation from the repair person(s) showing the scope of work and payment for the work completed; and (ii) at Seller's expense, arrange for the transfer of any transferable warranties with respect to the repairs and treatments to Buyer at closing. If Seller fails to complete any agreed repairs and treatments prior to the Closing Date, Buyer may exercise remedies under Paragraph 15 or extend the Closing Date up to 5 days if necessary for Seller to complete the repairs and treatments.
- G. **ENVIRONMENTAL MATTERS:** Buyer is advised that the presence of wetlands, toxic substances, including asbestos and wastes or other environmental hazards, or the presence of a threatened or endangered species or its habitat may affect Buyer's intended use of the Property. If Buyer is concerned about these matters, an addendum promulgated by TREC or required by the parties should be used.
- H. **RESIDENTIAL SERVICE CONTRACTS:** Buyer may purchase a residential service contract from a provider or administrator licensed by the Texas Department of Licensing and Regulation. If Buyer purchases a residential service contract, Seller shall reimburse Buyer at closing for the cost of the residential service contract in an amount not exceeding \$ _____. Buyer should review any residential service contract for the scope of coverage, exclusions and limitations. **The purchase of a residential service contract is optional. Similar coverage may be purchased from various companies authorized to do business in Texas.**
- 8. BROKERS AND SALES AGENTS:**
- A. **BROKER OR SALES AGENT DISCLOSURE:** Texas law requires a real estate broker or sales agent who is a party to a transaction or acting on behalf of a spouse, parent, child, business entity in which the broker or sales agent owns more than 10%, or a trust for which the broker or sales agent acts as a trustee or of which the broker or sales agent or the broker or sales agent's spouse, parent or child is a beneficiary, to notify the other party in writing before entering into a contract of sale. Disclose if applicable: _____
- B. **BROKERS' FEES:** All obligations of the parties for payment of brokers' fees are contained in separate written agreements.
- 9. CLOSING:**
- A. The closing of the sale will be on or before _____, _____, or within 7 days after objections made under Paragraph 6D have been cured or waived, whichever date is later (Closing Date). If either party fails to close the sale by the Closing Date, the non-defaulting party may exercise the remedies contained in Paragraph 15.
- B. At closing:
- (1) Seller shall execute and deliver a general warranty deed conveying title to the Property to Buyer and showing no additional exceptions to those permitted in Paragraph 6 and furnish tax statements or certificates showing no delinquent taxes on the Property.
 - (2) Buyer shall pay the Sales Price in good funds acceptable to the Escrow Agent.
 - (3) Seller and Buyer shall execute and deliver any notices, statements, certificates, affidavits, releases, loan documents, transfer of any warranties, and other documents reasonably required for the closing of the sale and the issuance of the Title Policy.
 - (4) There will be no liens, assessments, or security interests against the Property which will not be satisfied out of the sales proceeds unless securing the payment of any loans assumed by Buyer and assumed loans will not be in default.
 - (5) Private transfer fees (as defined by Chapter 5, Subchapter G of the Texas Property Code) will be the obligation of Seller unless provided otherwise in this contract. Transfer fees assessed by a property owners' association are governed by the Addendum for Property Subject to Mandatory Membership in a Property Owners Association.

10. POSSESSION:

- A. **BUYER'S POSSESSION:** Seller shall deliver to Buyer possession of the Property in its present or required condition, ordinary wear and tear excepted: upon closing and funding according to a temporary residential lease form promulgated by TREC or other written lease required by the parties. Any possession by Buyer prior to closing or by Seller after closing which is not authorized by a written lease will establish a tenancy at sufferance relationship between the parties. **Consult your insurance agent prior to change of ownership and possession because insurance coverage may be limited or terminated. The absence of a written lease or appropriate insurance coverage may expose the parties to economic loss.**
- B. **SMART DEVICES:** "Smart Device" means a device that connects to the internet to enable remote use, monitoring, and management of: (i) the Property; (ii) items identified in any Non-Realty Items Addendum; or (iii) items in a Fixture Lease assigned to Buyer. At the time Seller delivers possession of the Property to Buyer, Seller shall:
- (1) deliver to Buyer written information containing all access codes, usernames, passwords, and applications Buyer will need to access, operate, manage, and control the Smart Devices; and
 - (2) terminate and remove all access and connections to the improvements and accessories from any of Seller's personal devices including but not limited to phones and computers.

- 11. SPECIAL PROVISIONS:** (This paragraph is intended to be used only for additional informational items. An informational item is a statement that completes a blank in a contract form, discloses factual information, or provides instructions. Real estate brokers and sales agents are prohibited from practicing law and shall not add to, delete, or modify any provision of this contract unless drafted by a party to this contract or a party's attorney.) _____

12. SETTLEMENT AND OTHER EXPENSES:

- A. The following expenses must be paid at or prior to closing:
- (1) Expenses payable by Seller (Seller's Expenses):
 - (a) Releases of existing liens, including prepayment penalties and recording fees; release of Seller's loan liability, tax statements or certificates; preparation of deed; one-half of escrow fee; and other expenses payable by Seller under this contract.
 - (b) Seller shall also pay an amount not to exceed \$ _____ to be applied in the following order: Buyer's Expenses which Buyer is prohibited from paying by FHA, VA, Texas Veterans Land Board or other governmental loan programs, and then to other Buyer's Expenses as allowed by the lender.
 - (2) Expenses payable by Buyer (Buyer's Expenses): Appraisal fees; loan application fees; origination charges; credit reports; preparation of loan documents; interest on the notes from date of disbursement to one month prior to dates of first monthly payments; recording fees; copies of easements and restrictions; loan title policy with endorsements required by lender; loan-related inspection fees; photos; amortization schedules; one-half of escrow fee; all prepaid items, including required premiums for flood and hazard insurance, reserve deposits for insurance, ad valorem taxes and special governmental assessments; final compliance inspection; courier fee; repair inspection; underwriting fee; wire transfer fee; expenses incident to any loan; Private Mortgage Insurance Premium (PMI), VA Loan Funding Fee, or FHA Mortgage Insurance Premium (MIP) as required by the lender; and other expenses payable by Buyer under this contract.
- B. If any expense exceeds an amount expressly stated in this contract for such expense to be paid by a party, that party may terminate this contract unless the other party agrees to pay such excess. Buyer may not pay charges and fees expressly prohibited by FHA, VA, Texas Veterans Land Board or other governmental loan program regulations.

- 13. PRORATIONS:** Taxes for the current year, interest, rents, and regular periodic maintenance fees, assessments, and dues (including prepaid items) will be prorated through the Closing Date. The tax proration may be calculated taking into consideration any change in exemptions that will affect the current year's taxes. If taxes for the current year vary from the amount prorated at closing, the parties shall adjust the prorations when tax statements for the current year are available. If taxes are not paid at or prior to closing, Buyer shall pay taxes for the current year.

- 14. CASUALTY LOSS:** If any part of the Property is damaged or destroyed by fire or other casualty after the Effective Date of this contract, Seller shall restore the Property to its previous condition as soon as reasonably possible, but in any event by the Closing Date. If Seller fails to do so due to factors beyond Seller's control, Buyer may (a) terminate this contract and the earnest money

will be refunded to Buyer (b) extend the time for performance up to 15 days and the Closing Date will be extended as necessary or (c) accept the Property in its damaged condition with an assignment of insurance proceeds, if permitted by Seller's insurance carrier, and receive credit from Seller at closing in the amount of the deductible under the insurance policy. Seller's obligations under this paragraph are independent of any other obligations of Seller under this contract.

- 15. DEFAULT:** If Buyer fails to comply with this contract, Buyer will be in default, and Seller may (a) enforce specific performance, seek such other relief as may be provided by law, or both, or (b) terminate this contract and receive the earnest money as liquidated damages, thereby releasing both parties from this contract. If Seller fails to comply with this contract, Seller will be in default and Buyer may (a) enforce specific performance, seek such other relief as may be provided by law, or both, or (b) terminate this contract and receive the earnest money, thereby releasing both parties from this contract.
- 16. MEDIATION:** It is the policy of the State of Texas to encourage resolution of disputes through alternative dispute resolution procedures such as mediation. Any dispute between Seller and Buyer related to this contract which is not resolved through informal discussion will be submitted to a mutually acceptable mediation service or provider. The parties to the mediation shall bear the mediation costs equally. This paragraph does not preclude a party from seeking equitable relief from a court of competent jurisdiction.
- 17. ATTORNEY'S FEES:** A Buyer, Seller, Listing Broker, Other Broker, or Escrow Agent who prevails in any legal proceeding related to this contract is entitled to recover reasonable attorney's fees and all costs of such proceeding.
- 18. ESCROW:**
- A. **ESCROW:** The Escrow Agent is not (i) a party to this contract and does not have liability for the performance or nonperformance of any party to this contract, (ii) liable for interest on the earnest money and (iii) liable for the loss of any earnest money caused by the failure of any financial institution in which the earnest money has been deposited unless the financial institution is acting as Escrow Agent. Escrow Agent may require any disbursement made in connection with this contract to be conditioned on Escrow Agent's collection of good funds acceptable to Escrow Agent.
 - B. **EXPENSES:** At closing, the earnest money must be applied first to any cash down payment, then to Buyer's Expenses and any excess refunded to Buyer. If no closing occurs, Escrow Agent may: (i) require a written release of liability of the Escrow Agent from all parties before releasing any earnest money; and (ii) require payment of unpaid expenses incurred on behalf of a party. Escrow Agent may deduct authorized expenses from the earnest money payable to a party. "Authorized expenses" means expenses incurred by Escrow Agent on behalf of the party entitled to the earnest money that were authorized by this contract or that party.
 - C. **DEMAND:** Upon termination of this contract, either party or the Escrow Agent may send a release of earnest money to each party and the parties shall execute counterparts of the release and deliver same to the Escrow Agent. If either party fails to execute the release, either party may make a written demand to the Escrow Agent for the earnest money. If only one party makes written demand for the earnest money, Escrow Agent shall promptly provide a copy of the demand to the other party. If Escrow Agent does not receive written objection to the demand from the other party within 15 days, Escrow Agent may disburse the earnest money to the party making demand reduced by the amount of unpaid expenses incurred on behalf of the party receiving the earnest money and Escrow Agent may pay the same to the creditors. If Escrow Agent complies with the provisions of this paragraph, each party hereby releases Escrow Agent from all adverse claims related to the disbursement of the earnest money.
 - D. **DAMAGES:** Any party who wrongfully fails or refuses to sign a release acceptable to the Escrow Agent within 7 days of receipt of the request will be liable to the other party for (i) damages; (ii) the earnest money; (iii) reasonable attorney's fees; and (iv) all costs of suit.
 - E. **NOTICES:** Escrow Agent's notices will be effective when sent in compliance with Paragraph 21. Notice of objection to the demand will be deemed effective upon receipt by Escrow Agent.
- 19. REPRESENTATIONS:** All covenants, representations and warranties in this contract survive closing. If any representation of Seller in this contract is untrue on the Closing Date, Seller will be in default. Unless expressly prohibited by written agreement, Seller may continue to show the Property and receive, negotiate and accept back up offers.
- 20. FEDERAL TAX REQUIREMENTS:** If Seller is a "foreign person," as defined by Internal Revenue Code and its regulations, or if Seller fails to deliver an affidavit or a certificate of non-foreign status to Buyer that Seller is not a "foreign person," then Buyer shall withhold from the sales proceeds an amount sufficient to comply with applicable tax law and deliver the same to the Internal Revenue Service together with appropriate tax forms. Internal Revenue Service regulations require filing written reports if currency in excess of specified amounts is received in the transaction.

21. NOTICES: All notices from one party to the other must be in writing and are effective when mailed to, hand-delivered at, or transmitted by fax or electronic transmission as follows:

To Buyer at: _____

To Seller at: _____

Phone: _____

Phone: _____

E-mail/Fax: _____

E-mail/Fax: _____

E-mail/Fax: _____

E-mail/Fax: _____

With a copy to Buyer's agent at: _____

With a copy to Seller's agent at: _____

22. AGREEMENT OF PARTIES: This contract contains the entire agreement of the parties and cannot be changed except by their written agreement. Addenda which are a part of this contract are (Check all applicable boxes):

- Third Party Financing Addendum
- Seller Financing Addendum
- Addendum for Property Subject to Mandatory Membership in a Property Owners Association
- Buyer's Temporary Residential Lease
- Loan Assumption Addendum
- Addendum for Sale of Other Property by Buyer
- Addendum for Reservation of Oil, Gas and Other Minerals
- Addendum for "Back-Up" Contract
- Addendum for Coastal Area Property
- Addendum for Authorizing Hydrostatic Testing
- Addendum Concerning Right to Terminate Due to Lender's Appraisal
- Environmental Assessment, Threatened or Endangered Species and Wetlands Addendum

- Seller's Temporary Residential Lease
- Short Sale Addendum
- Addendum for Property Located Seaward of the Gulf Intracoastal Waterway
- Addendum for Seller's Disclosure of Information on Lead-based Paint and Lead-based Paint Hazards as Required by Federal Law
- Addendum for Property in a Propane Gas System Service Area
- Addendum Regarding Residential Leases
- Addendum Regarding Fixture Leases
- Addendum containing Notice of Obligation to Pay Improvement District Assessment
- Other (list): _____

23. CONSULT AN ATTORNEY BEFORE SIGNING: TREC rules prohibit real estate brokers and sales agents from giving legal advice. READ THIS CONTRACT CAREFULLY.

Buyer's Attorney is: _____

Seller's Attorney is: _____

Phone: _____

Phone: _____

Fax: _____

Fax: _____

E-mail: _____

E-mail: _____

EXECUTED the _____ day of _____, _____ (Effective Date).
(BROKER: FILL IN THE DATE OF FINAL ACCEPTANCE.)

Buyer _____

Seller _____

Buyer _____

Seller _____



The form of this contract has been approved by the Texas Real Estate Commission. TREC forms are intended for use only by trained real estate license holders. No representation is made as to the legal validity or adequacy of any provision in any specific transactions. It is not intended for complex transactions. Texas Real Estate Commission, P.O. Box 12188, Austin, TX 78711-2188, (512) 936-3000. (<http://www.trec.texas.gov>) TREC NO. 20-17. This form replaces TREC NO. 20-16.

BROKER INFORMATION
(Print name(s) only. Do not sign)

FIV Realty Co Texas, LLC 9014582
Other Broker Firm License No.

Listing Broker Firm License No.

represents Buyer only as Buyer's agent
 Seller as Listing Broker's subagent

represents Seller and Buyer as an intermediary
 Seller only as Seller's agent

Tammi Freund by 0416757
Associate's Name License No.

Listing Associate's Name License No.

The Freund Group
Team Name

Team Name

@freundgroup.com
Associate's Email Address Phone

Listing Associate's Email Address Phone

Tammi Freund 0416757
Licensed Supervisor of Associate License No.

Licensed Supervisor of Listing Associate License No.

260 Park Ave (281)479-6683
Other Broker's Address Phone

Listing Broker's Office Address Phone

League City TX 77573
City State Zip

City State Zip

Selling Associate's Name License No.

Team Name

Selling Associate's Email Address Phone

Licensed Supervisor of Selling Associate License No.

Selling Associate's Office Address

City State Zip 6

Disclosure: Pursuant to a previous, separate agreement (such as a MLS offer of compensation or other agreement between brokers), Listing Broker has agreed to pay Other Broker a fee (_____). This disclosure is for informational purposes and does not change the previous agreement between brokers to pay or share a commission.

OPTION FEE RECEIPT

Receipt of \$ _____ (Option Fee) in the form of _____
is acknowledged.

Escrow Agent _____ Date _____

EARNEST MONEY RECEIPT

Receipt of \$ _____ Earnest Money in the form of _____
is acknowledged.

Escrow Agent _____ Received by _____ Email Address _____ Date/Time _____

Address _____ Phone _____

City _____ State _____ Zip _____ Fax _____

CONTRACT RECEIPT

Receipt of the Contract is acknowledged.

Escrow Agent _____ Received by _____ Email Address _____ Date _____

Address _____ Phone _____

City _____ State _____ Zip _____ Fax _____

ADDITIONAL EARNEST MONEY RECEIPT

Receipt of \$ _____ additional Earnest Money in the form of _____
is acknowledged.

Escrow Agent _____ Received by _____ Email Address _____ Date/Time _____

Address _____ Phone _____

City _____ State _____ Zip _____ Fax _____



THIRD PARTY FINANCING ADDENDUM

TO CONTRACT CONCERNING THE PROPERTY AT

(Street Address and City)

1. TYPE OF FINANCING AND DUTY TO APPLY AND OBTAIN APPROVAL: Buyer shall apply promptly for all financing described below and make every reasonable effort to obtain approval for the financing, including but not limited to furnishing all information and documents required by Buyer's lender. (Check applicable boxes):

A. CONVENTIONAL FINANCING:

(1) A first mortgage loan in the principal amount of \$ _____ (excluding any financed PMI premium), due in full in _____ year(s), with interest not to exceed _____ % per annum for the first _____ year(s) of the loan with Origination Charges as shown on Buyer's Loan Estimate for the loan not to exceed _____ % of the loan.

(2) A second mortgage loan in the principal amount of \$ _____ (excluding any financed PMI premium), due in full in _____ year(s), with interest not to exceed _____ % per annum for the first _____ year(s) of the loan with Origination Charges as shown on Buyer's Loan Estimate for the loan not to exceed _____ % of the loan.

B. TEXAS VETERANS LOAN: A loan(s) from the Texas Veterans Land Board of \$ _____ for a period in the total amount of _____ years at the interest rate established by the Texas Veterans Land Board.

C. FHA INSURED FINANCING: A Section _____ FHA insured loan of not less than \$ _____ (excluding any financed MIP), amortizable monthly for not less than _____ years, with interest not to exceed _____ % per annum for the first _____ year(s) of the loan with Origination Charges as shown on Buyer's Loan Estimate for the loan not to exceed _____ % of the loan.

D. VA GUARANTEED FINANCING: A VA guaranteed loan of not less than \$ _____ (excluding any financed Funding Fee), amortizable monthly for not less than _____ years, with interest not to exceed _____ % per annum for the first _____ year(s) of the loan with Origination Charges as shown on Buyer's Loan Estimate for the loan not to exceed _____ % of the loan.

E. USDA GUARANTEED FINANCING: A USDA-guaranteed loan of not less than \$ _____ (excluding any financed Funding Fee), amortizable monthly for not less than _____ years, with interest not to exceed _____ % per annum for the first _____ year(s) of the loan with Origination Charges as shown on Buyer's Loan Estimate for the loan not to exceed _____ % of the loan.

F. REVERSE MORTGAGE FINANCING: A reverse mortgage loan (also known as a Home Equity Conversion Mortgage loan) in the original principal amount of \$ _____ (excluding any financed PMI premium or other costs), with interest not to exceed _____ % per annum for the first _____ year(s) of the loan with Origination Charges as shown on Buyer's Loan Estimate for the loan not to exceed _____ % of the loan. The reverse mortgage loan _____ will _____ will not be an FHA insured loan.

G. OTHER FINANCING: A loan not of a type described above from _____ (name of lender) in the principal amount of \$ _____ due in _____ year(s), with interest not to exceed _____ % per annum for the first _____ year(s) of the loan with Origination Charges not to exceed _____ % of the loan. Buyer _____ does _____ does not waive all rights to terminate the contract under Paragraph 2B of this addendum for the loan described in this paragraph.

2. APPROVAL OF FINANCING: Approval for the financing described above will be deemed to have been obtained when Buyer Approval and Property Approval are obtained. Time is of the essence for this paragraph and strict compliance with the time for performance is required.

(Address of Property)

A. BUYER APPROVAL (Check one box only):

This contract is subject to Buyer obtaining Buyer Approval. If Buyer cannot obtain Buyer Approval, Buyer may give written notice to Seller within ____ days after the effective date of this contract and this contract will terminate and the earnest money will be refunded to Buyer. If Buyer does not terminate the contract under this provision, the contract shall no longer be subject to the Buyer obtaining Buyer Approval. Buyer Approval will be deemed to have been obtained when (i) the terms of the loan(s) described above are available and (ii) lender determines that Buyer has satisfied all of lender's requirements related to Buyer's assets, income and credit history.

This contract is not subject to Buyer obtaining Buyer Approval.

B. PROPERTY APPROVAL: If Buyer's lender determines that the Property does not satisfy lender's underwriting requirements for the loan (including but not limited to appraisal, insurability, and lender required repairs) Buyer, not later than 3 days before the Closing Date, may terminate this contract by giving Seller: (i) notice of termination; and (ii) a copy of a written statement from the lender setting forth the reason(s) for lender's determination. If Buyer terminates under this paragraph, the earnest money will be refunded to Buyer. If Buyer does not terminate under this paragraph, Property Approval is deemed to have been obtained.

3. SECURITY: If required by Buyer's lender, each note for the financing described above must be secured by vendor's and deed of trust liens.

4. FHA/VA REQUIRED PROVISION: If the financing described above involves FHA insured or VA financing, it is expressly agreed that, notwithstanding any other provision of this contract, the purchaser (Buyer) shall not be obligated to complete the purchase of the Property described herein or to incur any penalty by forfeiture of earnest money deposits or otherwise; (i) unless the Buyer has been given in accordance with HUD/FHA or VA requirements a written statement issued by the Federal Housing Commissioner, Department of Veterans Affairs, or a Direct Endorsement Lender setting forth the appraised value of the Property of not less than \$ _____ or (ii) if the contract purchase price or cost exceeds the reasonable value of the Property established by the Department of Veterans Affairs. The 3-day notice of termination requirements in 2.B. does not apply to this Paragraph 4.

A. The Buyer shall have the privilege and option of proceeding with consummation of the contract without regard to the amount of the appraised valuation or the reasonable value established by the Department of Veterans Affairs.

B. If FHA financing is involved, the appraised valuation is arrived at to determine the maximum mortgage the Department of Housing and Urban Development will insure. HUD does not warrant the value or the condition of the Property. The Buyer should satisfy himself/herself that the price and the condition of the Property are acceptable.

C. If VA financing is involved and if Buyer elects to complete the purchase at an amount in excess of the reasonable value established by the VA, Buyer shall pay such excess amount in cash from a source which Buyer agrees to disclose to the VA and which Buyer represents will not be from borrowed funds except as approved by VA. If VA reasonable value of the Property is less than the Sales Prices, Seller may reduce the Sales Price to an amount equal to the VA reasonable value and the sale will be closed at the lower Sales Price with proportionate adjustments to the down payment and the loan amount.

5. AUTHORIZATION TO RELEASE INFORMATION:

A. Buyer authorizes Buyer's lender to furnish to Seller or Buyer or their representatives information relating to the status of the approval for the financing.

B. Seller and Buyer authorize Buyer's lender, title company, and Escrow Agent to disclose and furnish a copy of the closing disclosures and settlement statements to the parties' respective brokers and sales agents provided under Broker Information.

Buyer

Seller

Buyer

Seller



This form has been approved by the Texas Real Estate Commission for use with similarly approved or promulgated contract forms. Such approval relates to this form only. TREC forms are intended for use only by trained real estate license holders. No representation is made as to the legal validity or adequacy of any provision in any specific transactions. It is not intended for complex transactions. Texas Real Estate Commission, P.O. Box 12188, Austin, TX 78711-2188, (512) 936-3000 (<http://www.trec.texas.gov>) TREC No. 40-1D. This form replaces TREC No. 40-9.



**ADDENDUM CONCERNING RIGHT TO TERMINATE
DUE TO LENDER'S APPRAISAL**

*Use only if the Third Party Financing Addendum is attached to the contract and
the transaction does not involve FHA insured or VA guaranteed financing*



CONCERNING THE PROPERTY AT: _____
(Street Address and City)

The financing described in the Third Party Financing Addendum attached to the contract for the sale of the above-referenced Property does not involve FHA or VA financing. *(Check one box only)*

(1) **WAIVER.** Buyer waives Buyer's right to terminate the contract under Paragraph 2B of the Third Party Financing Addendum if Property Approval is not obtained because the opinion of value in the appraisal does not satisfy lender's underwriting requirements .

If the lender reduces the amount of the loan due to the opinion of value, the cash portion of Sales Price is increased by the amount the loan is reduced due to the appraisal.

(2) **PARTIAL WAIVER.** Buyer waives Buyer's right to terminate the contract under Paragraph 2B of the Third Party Financing Addendum if:

(i) Property Approval is not obtained because the opinion of value in the appraisal does not satisfy lender's underwriting requirements; and

(ii) the opinion of value is \$ _____ or more.

If the lender reduces the amount of the loan due to the opinion of value, the cash portion of Sales Price is increased by the amount the loan is reduced due to appraisal.

(3) **ADDITIONAL RIGHT TO TERMINATE.** In addition to Buyer's right to terminate under Paragraph 2B of the Third Party Financing Addendum, Buyer may terminate the contract within _____ days after the Effective Date if:

(i) the appraised value, according to the appraisal obtained by Buyer's lender, is less than \$ _____; and

(ii) Buyer delivers a copy of the appraisal to the Seller.

If Buyer terminates under this paragraph, the earnest money will be refunded to Buyer.

Buyer

Seller

Buyer

Seller



The form of this addendum has been approved by the Texas Real Estate Commission for use only with similarly approved or promulgated forms of contracts. Such approval relates to this contract form only. TREC forms are intended for use only by trained real estate license holders. No representation is made as to the legal validity or adequacy of any provision in any specific transactions. It is not intended for complex transactions. Texas Real Estate Commission, P.O. Box 12188, Austin, TX 78711-2188, (512) 936-3000 (www.trec.texas.gov) TREC No. 49-1.

**TREC NO. 49-1
TXR 1948**



RESIDENTIAL BUYER/TENANT REPRESENTATION AGREEMENT

USE OF THIS FORM BY PERSONS WHO ARE NOT MEMBERS OF THE TEXAS ASSOCIATION OF REALTORS®, INC. IS NOT AUTHORIZED.
©Texas Association of REALTORS®, Inc. 2022

1. PARTIES: The parties to this agreement are:

Client: _____

Address: _____

City, State, Zip: _____

Phone: _____

Email/Fax: _____ Email/Fax: _____

Broker: **FIV Realty Co Texas, LLC**

Address: **260 Park Ave**

City, State, Zip: **League City, TX 77573**

Phone: _____

Email/Fax: **@freundgroup.com** Email/Fax: _____

2. APPOINTMENT: Client grants to Broker the exclusive right to act as Client's real estate agent for the purpose of acquiring property in the market area.

3. DEFINITIONS:

A. "Acquire" means to purchase or lease.

B. "Closing" in a sale transaction means the date legal title to a property is conveyed to a purchaser of property under a contract to buy. "Closing" in a lease transaction means the date a landlord and tenant enter into a binding lease of a property.

C. "Market area" means that area in the State of Texas within the perimeter boundaries of the following areas: _____

D. "Property" means any interest in real estate including but not limited to properties listed in a multiple listing service or other listing services, properties for sale by owners, and properties for sale by builders.

4. TERM: This agreement commences on _____ and ends at 11:59 p.m. on _____.

5. BROKER'S OBLIGATIONS: Broker will: (a) use Broker's best efforts to assist Client in acquiring property in the market area; (b) assist Client in negotiating the acquisition of property in the market area; and (c) comply with other provisions of this agreement.

6. CLIENT'S OBLIGATIONS: Client will: (a) work exclusively through Broker in acquiring property in the market area and negotiate the acquisition of property in the market area only through Broker; (b) inform other brokers, salespersons, sellers, and landlords with whom Client may have contact that Broker exclusively represents Client for the purpose of acquiring property in the market area and refer all such persons to Broker; and (c) comply with other provisions of this agreement.

7. REPRESENTATIONS:

- A. Each person signing this agreement represents that the person has the legal capacity and authority to bind the respective party to this agreement.
- B. Client represents that Client is not now a party to another buyer or tenant representation agreement with another broker for the acquisition of property in the market area.
- C. Client represents that all information relating to Client's ability to acquire property in the market area Client gives to Broker is true and correct.
- D. Name any employer, relocation company, or other entity that will provide benefits to Client when acquiring property in the market area: _____
- E. Broker is not authorized to execute any document in the name of or on behalf of Client concerning the Property.

8. INTERMEDIARY: (Check A or B only.)

- A. **Intermediary Status:** Client desires to see Broker's listings. If Client wishes to acquire one of Broker's listings, Client authorizes Broker to act as an intermediary and Broker will notify Client that Broker will service the parties in accordance with one of the following alternatives.
- (1) If the owner of the property is serviced by an associate other than the associate servicing Client under this agreement, Broker may notify Client that Broker will: (a) appoint the associate then servicing the owner to communicate with, carry out instructions of, and provide opinions and advice during negotiations to the owner; and (b) appoint the associate then servicing Client to the Client for the same purpose.
 - (2) If the owner of the property is serviced by the same associate who is servicing Client, Broker may notify Client that Broker will: (a) appoint another associate to communicate with, carry out instructions of, and provide opinions and advice during negotiations to Client; and (b) appoint the associate servicing the owner under the listing to the owner for the same purpose.
 - (3) Broker may notify Client that Broker will make no appointments as described under this Paragraph 8A and, in such an event, the associate servicing the parties will act solely as Broker's intermediary representative, who may facilitate the transaction but will not render opinions or advice during negotiations to either party.
- B. **No Intermediary Status:** Client does not wish to be shown or acquire any of Broker's listings.

Notice: If Broker acts as an intermediary under Paragraph 8A, Broker and Broker's associates:

- ♦ may not disclose to Client that the seller or landlord will accept a price less than the asking price unless otherwise instructed in a separate writing by the seller or landlord;
- ♦ may not disclose to the seller or landlord that Client will pay a price greater than the price submitted in a written offer to the seller or landlord unless otherwise instructed in a separate writing by Client;
- ♦ may not disclose any confidential information or any information a seller or landlord or Client specifically instructs Broker in writing not to disclose unless otherwise instructed in a separate writing by the respective party or required to disclose the information by the Real Estate License Act or a court order or if the information materially relates to the condition of the property;
- ♦ shall treat all parties to the transaction honestly; and
- ♦ shall comply with the Real Estate License Act.

9. COMPETING CLIENTS: Client acknowledges that Broker may represent other prospective buyers or tenants who may seek to acquire properties that may be of interest to Client. Client agrees that Broker may, during the term of this agreement and after it ends, represent such other prospects, show the other prospects the same properties that Broker shows to Client, and act as a real estate broker for such other prospects in negotiating the acquisition of properties that Client may seek to acquire.

10. CONFIDENTIAL INFORMATION:

- A. During the term of this agreement or after its termination, Broker may not knowingly disclose information obtained in confidence from Client except as authorized by Client or required by law. Broker may not disclose to Client any information obtained in confidence regarding any other person Broker represents or may have represented except as required by law.
- B. Unless otherwise agreed or required by law, a seller or the seller's agent is not obliged to keep the existence of an offer or its terms confidential. If a listing agent receives multiple offers, the listing agent is obliged to treat the competing buyers fairly.

11. BROKER'S FEES:

- A. **Commission:** The parties agree that Broker will receive a commission calculated as follows: (1) 3.000 % of the gross sales price if Client agrees to purchase property in the market area; and (2) if Client agrees to lease property in the market area a fee equal to (*check only one box*): 50.000 % of one month's rent or N/A % of all rents to be paid over the term of the lease.
- B. **Source of Commission Payment:** Broker will seek to obtain payment of the commission specified in Paragraph 11A first from the seller, landlord, or their agents. **If such persons refuse or fail to pay Broker the amount specified, Client will pay Broker the amount specified less any amounts Broker receives from such persons.**
- C. **Earned and Payable:** A person is not obligated to pay Broker a commission until such time as Broker's commission is *earned and payable*. Broker's commission is *earned* when: (1) Client enters into a contract to buy or lease property in the market area; or (2) Client breaches this agreement. Broker's commission is *payable*, either during the term of this agreement or after it ends, upon the earlier of: (1) the closing of the transaction to acquire the property; (2) Client's breach of a contract to buy or lease a property in the market area; or (3) Client's breach of this agreement. If Client acquires more than one property under this agreement, Broker's commissions for each property acquired are earned as each property is acquired and are payable at the closing of each acquisition.
- D. **Additional Compensation:** If a seller, landlord, or their agents offer compensation in excess of the amount stated in Paragraph 11A (including but not limited to marketing incentives or bonuses to cooperating brokers) Broker may retain the additional compensation in addition to the specified commission. Client is not obligated to pay any such additional compensation to Broker.
- E. **Acquisition of Broker's Listing:** Notwithstanding any provision to the contrary, if Client acquires a property listed by Broker, Broker will be paid in accordance with the terms of Broker's listing agreement with the owner and Client will have no obligation to pay Broker.
- F. In addition to the commission specified under Paragraph 11A, Broker is entitled to the following fees.
 - (1) **Construction:** If Client uses Broker's services to procure or negotiate the construction of improvements to property that Client owns or may acquire, Client ensures that Broker will receive from Client or the contractor(s) at the time the construction is substantially complete a fee equal to: N/A
 - (2) **Service Providers:** If Broker refers Client or any party to a transaction contemplated by this agreement to a service provider (for example, mover, cable company, telecommunications provider, utility, or contractor) Broker may receive a fee from the service provider for the referral.

(3) Other: \$395 Transaction Processing Fee to Compass RE Texas

G. **Protection Period:** "Protection period" means that time starting the day after this agreement ends and continuing for 90 days. Not later than 10 days after this agreement ends, Broker may send Client written notice identifying the properties called to Client's attention during this agreement. If Client or a relative of Client agrees to acquire a property identified in the notice during the protection period, Client will pay Broker, upon closing, the amount Broker would have been entitled to receive if this agreement were still in effect. This Paragraph 11G survives termination of this agreement. This Paragraph 11G will not apply if Client is, during the protection period, bound under a representation agreement with another broker who is a member of Texas REALTORS® at the time the acquisition is negotiated and the other broker is paid a fee for negotiating the transaction.

H. **Escrow Authorization:** Client authorizes, and Broker may so instruct, any escrow or closing agent authorized to close a transaction for the acquisition of property contemplated by this agreement to collect and disburse to Broker all amounts payable to Broker.

I. **County:** Amounts payable to Broker are to be paid in cash in Galveston & surrounding counties County, Texas.

12. MEDIATION: The parties agree to negotiate in good faith in an effort to resolve any dispute that may arise related to this agreement or any transaction related to or contemplated by this agreement. If the dispute cannot be resolved by negotiation, the parties will submit the dispute to mediation before resorting to arbitration or litigation and will equally share the costs of a mutually acceptable mediator.

13. DEFAULT: If either party fails to comply with this agreement or makes a false representation in this agreement, the non-complying party is in default. If Client is in default, Broker may terminate this agreement and Client will be liable for the amount of compensation that Broker would have received under this agreement if Client was not in default; Broker may also terminate this agreement and exercise any other remedy at law. If Broker is in default, Client may exercise any remedy at law.

14. ATTORNEY'S FEES: If Client or Broker is a prevailing party in any legal proceeding brought as a result of a dispute under this agreement or any transaction related to this agreement, such party will be entitled to recover from the non-prevailing party all costs of such proceeding and reasonable attorney's fees.

15. LIMITATION OF LIABILITY: Neither Broker nor any other broker, or their associates, is responsible or liable for any person's personal injuries or for any loss or damage to any person's property that is not caused by Broker. Client will hold broker, any other broker, and their associates, harmless from any such injuries or losses. Client will indemnify Broker against any claims for injury or damage that Client may cause to others or their property.

16. ADDENDA: Addenda and other related documents which are part of this agreement are:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Information About Brokerage Services | <input type="checkbox"/> Protect Your Family from Lead in Your Home |
| <input type="checkbox"/> Mold Remediation Consumer Protection | <input type="checkbox"/> Information about Special Flood Hazard Areas |
| <input checked="" type="checkbox"/> Information Concerning Property Insurance | <input checked="" type="checkbox"/> For Your Protection: Get a Home Inspection |
| <input checked="" type="checkbox"/> General Information and Notice to Buyers and Sellers | <input checked="" type="checkbox"/> Wire Fraud Warning |

17. SPECIAL PROVISIONS: N/A

18. ADDITIONAL NOTICES:

- A. Broker's fees and the sharing of fees between brokers are not fixed, controlled, recommended, suggested, or maintained by the Association of REALTORS® or any listing service.**
- B. In accordance with fair housing laws and the National Association of REALTORS® Code of Ethics, Broker's services must be provided without regard to race, color, religion, national origin, sex, disability, familial status, sexual orientation, or gender identity. Local ordinances may provide for additional protected classes (for example, creed, status as a student, marital status, or age).**
- C. Broker is not a property inspector, pest inspector, appraiser, surveyor, engineer, environmental assessor, or compliance inspector. Client should seek experts to render such services in any acquisition.**
- D. If Client purchases property, Client should have an abstract covering the property examined by an attorney of Client's selection, or Client should be furnished with or obtain a title policy.**
- E. Client may purchase a residential service contract. Client should review such service contract or the scope of coverage, exclusions, and limitations. The purchase of a residential service contract is optional. There are several residential service companies operating in Texas.**
- F. When viewing a property, Client might be recorded or otherwise monitored without Client's knowledge or consent. Additionally, consult an attorney before recording or photographing a property without Owner's knowledge or consent.**
- G. To reduce risk of wire fraud, Client should refrain from transmitting personal information, such as bank account numbers or other financial information, via unsecured email or other electronic communication. If Client receives any electronic communication regarding wiring instructions, even if the communication appears to come from a legitimate source, Client should verify its authenticity prior to the transfer of funds in person or via phone call using a recognized phone number not found in the communication. Broker will not send Client any electronic communication with instructions to wire funds or to provide personal information.**

CONSULT AN ATTORNEY: Broker cannot give legal advice. This is a legally binding agreement. **READ IT CAREFULLY.** If you do not understand the effect of this agreement, consult your attorney **BEFORE** signing.

FIV Realty Co Texas, LLC 9014582
Broker's Printed Name License No.

Client's Printed Name

Broker's Signature _____ Date
 Broker's Associate's Signature, as an authorized agent of Broker _____

Client's Signature _____ Date

Tammi Freund By
Broker's Associate's Printed Name, if applicable

Client's Printed Name

Client's Signature _____ Date



THE HOUSE HUNTING CHECKLIST



Overall Rating: 1 2 3 4 5

Property Address: _____

Price: _____ Number of Bedrooms: _____

Number of Bathrooms: _____ Total Sq. Ft: _____

First Impression: Dislike Like Love

THE HOME				
Exterior Condition	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Floor Plan	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Kitchen	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Family Area	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Dining Area	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Laundry Room	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Master Bedroom	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Master Bathroom	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Extra Bedrooms	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Extra Bathrooms	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Garage Size	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Lot	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

THE FEATURES				
Kitchen Appliances	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Laundry Appliances	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Fireplace	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Patio/Balcony	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Pool	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
A/C & Heating System	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Security	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Does this house make the short list?

NO MAYBE YES

Additional Notes: _____

This house won't work because: _____

NOTES ABOUT THE NEIGHBORHOOD

Appearance: _____

Traffic: _____

Safety/Security: _____

Nearby Schools: _____

Close to: WORK SCHOOLS TRANSPORTATION SUPERMARKETS RECREATIONS/PARK RESTAURANTS

Satisfaction Guaranteed

OUR TEAM POLICY

If you are not completely satisfied with our teams service as promised you can cancel your agreement with The Freund Group at anytime. We are so confident that our real estate system will work for you, that we guarantee you the right to cancel our agreement at any time prior to an offer on a home, with no penalties or obligations, if you feel our service doesn't live up to our promise.

Choosing a Real Estate agent is the first step along the road to home ownership, and we appreciate you taking the time to consider Us.

We invite you to contact us with any questions you may have about our services that will help ease the decision making process.

We look forward to **working with you.**



**THE
FREUND
GROUP**



Your Friends In Real Estate



What We Offer: From upsizing to downsizing, waterfront properties to investments, and cozy country homes, we possess the expertise and resources to help you find your ideal home. We understand that every real estate journey is unique, and we tailor our approach to meet your specific needs.

Our Promise: When you choose The Freund Group, you're not just selecting a real estate team; you're gaining trusted partners who are committed to providing comprehensive support throughout your entire home buying or selling process. Your goals become our goals, and we work tirelessly to make them a reality.




“ First, we want to say thank you to our clients for choosing us and trusting us. We feel incredibly honored to be part of your story. Second, we want to say thank you to our team for always exceeding expectations and going above and beyond for your clients as well as our team.





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